

DEPARTMENT OF AGRICULTURE

2011 Biennium Budget Presentation

Agricultural Sciences Division

January 29, 2009

EXHIBIT 3
DATE 1/29/09
HB

Division Contacts

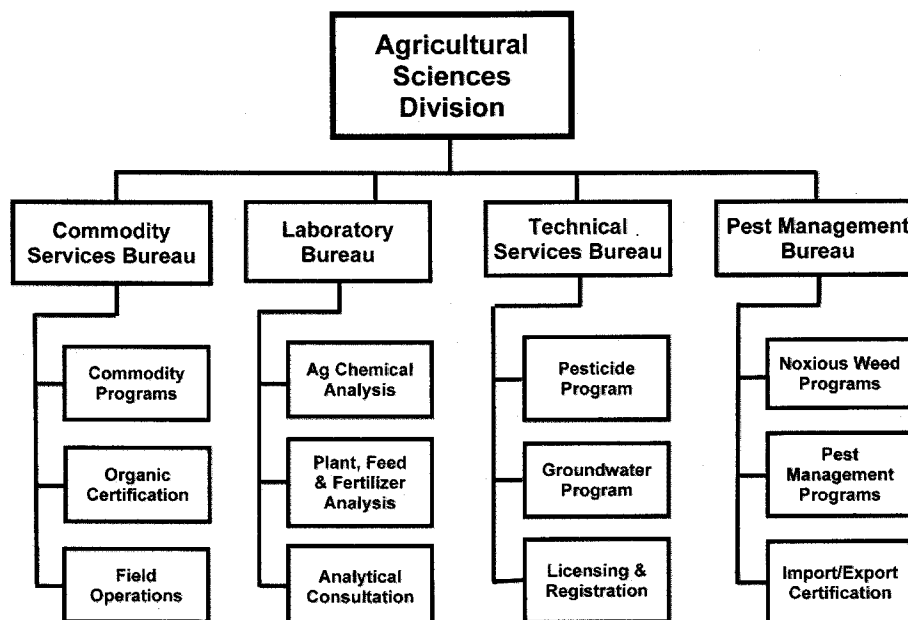
The director, administrator, and bureau chiefs for the division and their contact information are:

<u>Title</u>	<u>Name</u>	<u>Phone Number</u>	<u>E-mail address</u>
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What The Division Does

The Agricultural Sciences Division (ASD) administers seventeen programs that provide regulatory and compliance assistance, training and education to protect consumers, producers, the environment and the agricultural industry. Our programs include 1) the pesticide program; 2) analytical laboratory services; 3) noxious weed management; 4) the agricultural chemical groundwater program; 5) the pest management programs; 6) organic certification; and 7) several commodity programs.

We provide support to five advisory councils and one committee listed on page C-304. The Montana Noxious Weed Management Advisory Council, Noxious Weed Seed Free Forage Advisory Council, Montana Noxious Weed Summit Advisory Council, Montana Organic Commodity Advisory Council, the Cooperative Agricultural Pest Survey Advisory Council and the Montana Mint Committee.



How Services Are Provided

The division is organized into four bureaus with the following functions:

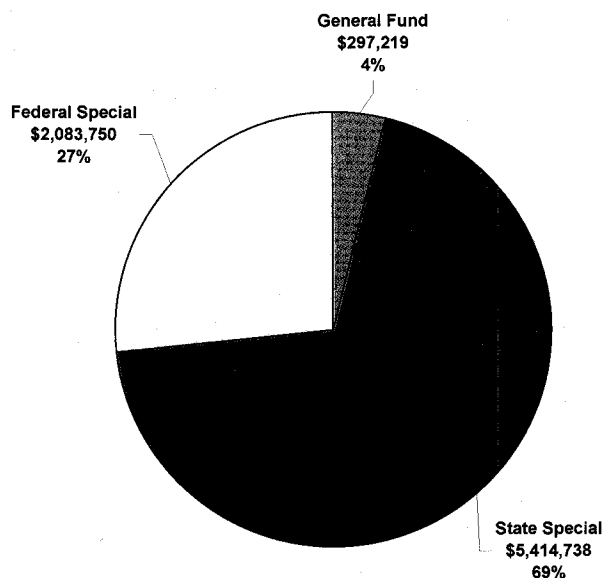
- 1) Commodity Services Bureau – provides services and enforcement of laws and regulations related to produce, feed, fertilizer, anhydrous ammonia, grain, seed, mint, and organic certification. (20.67 FTE)
- 2) Technical Services Bureau – provides licensing and registration services for pesticides, pesticide applicators and dealers, feeds, fertilizers, commodities, apiaries as well as pesticide education, ground water protection, pesticide disposal and special pesticide registration. (21.00 FTE)
- 3) Pest Management Bureau – provides services and enforcement of laws and regulations related to nurseries, pest surveys and management, pest quarantines, export certification, noxious weed management and apiaries. (10.00 FTE)
- 4) Laboratory Bureau – located in Bozeman, provides analytical services for feeds, fertilizers, pesticides and water quality. (11.50 FTE)

The division has a total of 63.17 full time equivalents, including 16 staff located in 9 field offices including Big Timber, Billings, Bozeman, Forsyth, Glasgow, Great Falls, Havre, Kalispell and Missoula.

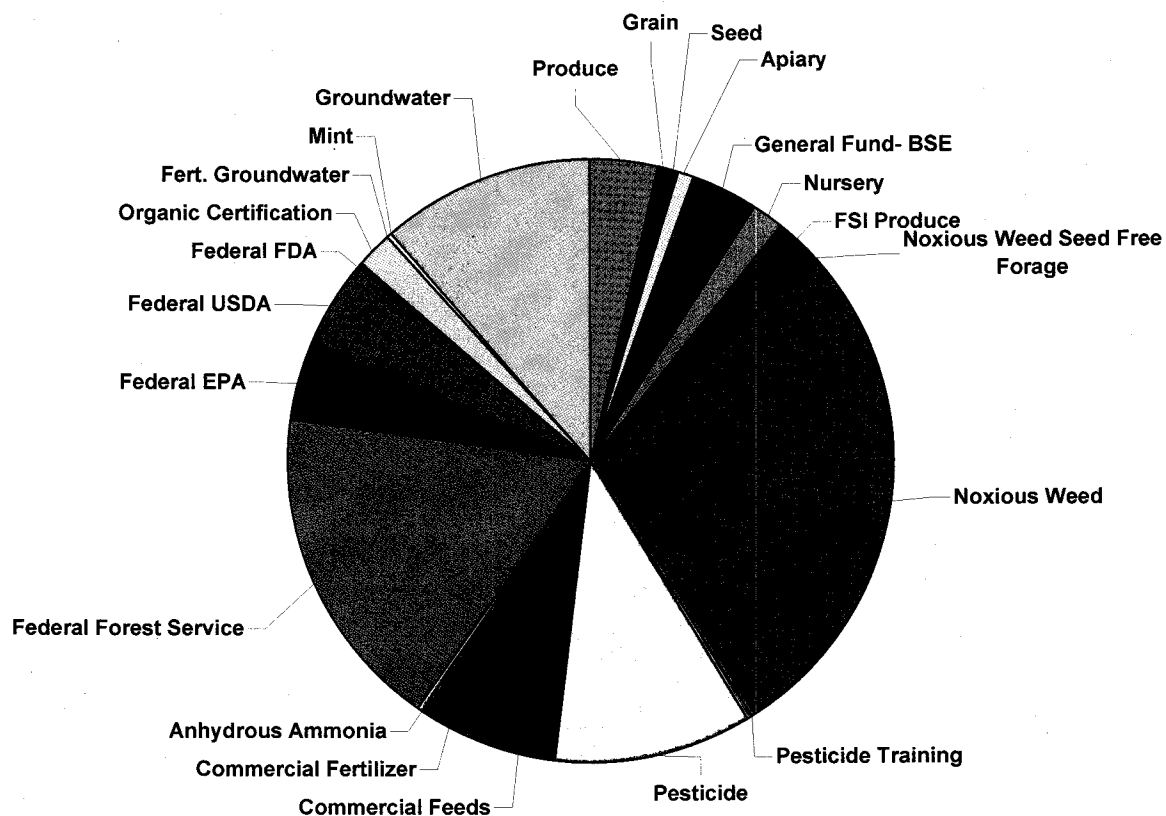
Spending and Funding Information

On page C-306 the Legislative Fiscal Division (LFD) has prepared a table summarizing HB 2 funding by program within the Agricultural Sciences Division. These charts illustrate the FY 2008 figures displayed in the LFD table.

ASD FY2008 EXPENDITURES BY FUND TYPE



ASD FY 2008 EXPENDITURES BY PROGRAM



2009 Biennium New Program Implementation and Program Expansion

Bovine Spongiform Encephalopathy (BSE) Livestock Feed Inspections

The 2007 Legislature approved the continuation of the increased livestock feed inspections, sampling, and investigations to help prevent the occurrence of the livestock disease bovine spongiform encephalopathy (BSE or Mad Cow Disease). The division implemented the increased testing of livestock feeds crossing the Canadian border and imported from other states in FY 2005.

The BSE Initiative provides added assurance that livestock feeds entering the state of Montana are safe for livestock producers and ultimately consumers. The department continues to conduct surveillance of interstate, intrastate and U.S. Canadian border feed ingredients and products. BSE is believed to be transmitted by feeding prohibited ruminant animal proteins derived from infected animals to non-infected animals. Prohibited materials include meat and bone meal.

Noxious Weed Grant Program

The Noxious Weed Trust Fund (NWTF) grant program was established by the 1985 Montana Legislature to provide funding for development and implementation of weed management programs in Montana. The Montana Noxious Weed Trust Fund Act is a grant funding program designed to encourage local cooperative weed management programs, scientific research in weed control, and educational programs. Grants are awarded annually to county weed districts, local governments, Native American Tribes, and researchers based on recommendations of the Montana Noxious Weed Management Advisory Council.

Noxious weeds are an issue that affects agricultural, recreation, tourism, riparian areas, forests, grazing lands, and crop lands: weeds are an every Montanan issue.

In 2004, Constitutional Amendment 40 was passed by a majority of Montana voters (75%) to protect the NWTF from uses other than those intended. HB 266 was passed unanimously by the 2005 Legislature to allow the department to revert unused grant funds to the NWTF.

Passage of HB 269 during the 2007 Legislature, provided a \$5 million one time transfer from the general fund to the principal of the Noxious Weed Trust Fund. HB 2 provided a one-time-only increase in state special authority for 1.00 FTE and grant expenses in FY 2009. In 2008, the department expended \$2.48 million on weed control efforts across the state. In 2009, we plan to expend \$2.72 million.

Corrective Action Plans

The division had one financial-compliance legislative audit (07-21) completed in September 2007 for the two fiscal years ended June 30, 2007. No recommendations were issued.

2011 Biennium Budget

Goals and Measurable Objectives

We have selected five goals and objectives relevant to our 2011 biennium HB 2 budget.

Department of Agriculture Agricultural Sciences Division		
Measurable Objectives for the 2011 Biennium		
Goal	Measurable Objectives	Current Status of Measures
Increase livestock feed sampling and testing for bovine spongiform encephalopathy to assure that livestock feeds entering into the state are safe for livestock and ultimately consumers.	<ul style="list-style-type: none"> - Conduct 52 inspection trips to transportation sites per fiscal year. - Collect samples that represent the types and volume of feeds entering the state. - Perform analysis on collected feed samples. 	Ruminant feed samples collected and tested for prohibited feed ingredients during the past three years total 252, of which 95 were tested using Polymerase Chain Reaction (PCR) and all were tested using the Feed Chek method in determining the presence of undeclared animal proteins. The department's analytical laboratory in Bozeman uses conventional PCR equipment to provide species specific information of feed analyses.
Increase the funding for noxious weed management, research and education projects to help reduce the overall infestation of weeds in Montana.	<p>Use interest earned on noxious weed trust fund principle to increase the funding available for grants.</p> <ul style="list-style-type: none"> - Trust fund interest from FY03 through FY06 averaged \$226,000, the trust fund earned interest of (\$461,677) in FY08. - Increase the number of weed grant projects approved by 24 in FY 2009. 	The weed program receives grant applications annually for cooperative weed projects, weed research proposals and weed education proposals. Grant applications are reviewed and evaluated by the Noxious Weed Management Advisory Council. The Advisory Council makes recommendations to the department director to fund grant applications. In 2008, the department funded 163 grant proposals totaling \$2.48 million.
Protect groundwater and the environment from impairment or degradation from the use or misuse of agricultural chemicals.	Ensure compliance with federal EPA standards by testing and evaluating groundwater for 57 national pesticides and 38 additional pesticides of interest specifically identified by the state of Montana and not included on the national list.	In FY 2008, the program successfully completed testing for all national and state identified pesticides of interest. The Montana Office of the Environmental Protection Agency (MTEPA) performed an annual End-Of-Year Review of the Groundwater Protection Program's activities under the Partnership Performance Grant. MTEPA sums up the program by stating that "the department is implementing an excellent pesticides and water quality protection program through the Montana Agricultural Chemical Ground Water Protection Act."
Provide reliable, efficient analytical testing services in support of Montana agriculture.	Biennium authority to purchase a replacement Mass Spectrometer System (LC/MS/MS) for \$350,000 will allow the analytical laboratory to continue to meet sampling demands in the 2011 biennium.	The laboratory continues to improve and expand its analytical capabilities. In FY 2008, the laboratory received over 3,000 samples on which over 85,000 individual tests were performed and reported. The lab continues to add more compounds to LC/MS/MS techniques, resulting in more defensible data, more information on metabolite residues and, in some cases, resulting in lowered reporting limits.
Provide a mechanism of collaboration and coordination between state agencies to prevent the introduction of invasive species and increase efforts to respond to detections.	Develop a state invasive species strategic plan to guide the state's efforts.	<ul style="list-style-type: none"> -Coordinate legislation -Obtain funding -Hire staff -Prioritize threats (through a Steering Committee) -Develop a strategic plan by December 2010